

MELROD, REDMAN & GARTLAN 14373

A PROFESSIONAL CORPORATION

RECORDATION NO. Filed 1425

ATTORNEYS AT LAW

SUITE 1100 K

1801 K STREET, N. W.

WASHINGTON, D. C. 20006

TELEPHONE (202) 822-5300

CABLE: REDMEL

TELEX: 89-7414

TELECOPIER 833-2090

JUL 17 1984 -2 15 PM

INTERSTATE COMMERCE COMMISSION

RECORDATION NO. Filed 1425

JUL 17 1984 -2 15 PM

INTERSTATE COMMERCE COMMISSION

July 17, 1984

RECORDATION NO. Filed 1425

LEONARD S. MELROD
LIPMAN REDMAN
JOSEPH V. GARTLAN, JR.
JERRY M. HAMOVIT
WARREN K. KAPLAN
STEPHEN D. KAHN
PHILIP A. GORELICK
DOROTHY D. SELLERS
PHILIP M. HOROWITZ
ALLAN J. WEINER
NEIL I. LEVY
ROBERTA F. COLTON
LOUIS J. TROTTER, JR.
STEVEN M. GLAZER
GARY S. SMUCKLER
WILLIAM DANIEL SULLIVAN
HOWARD N. SOLODKY

DANIEL M. LITT
ALBAN SALAMAN
E. SUE SPRAGUE
ANDREW G. WACHTEL
MICHAEL B. MCKENZIE
DOUGLAS B. MISHKIN
LISA N. SINGER
NEAL GOLDFARB
STEVEN H. LEYTON
LAURENCE E. BENSIGNOR
RONALD I. HYATT
JEFFREY P. MARSTON
WILLIAM C. BASIL
NEAL B. BIEN
FERN J. BRODNEY
BARBARA F. MUTTERPERL
WILLIAM POSTER

*NOT ADMITTED IN D. C.

WRITER'S DIRECT DIAL NUMBER

(202) 822-5415

Mrs. Lee
Secretary's Office
Interstate Commerce Commission
12th Street and Constitution Avenue
Washington, D.C. 20423

JUL 17 1984 -2 15 PM

Re: Filing of Master Lease between Chancellor
Asset Corporation as Trustee of Deerfield
Trust, as Lessor, and Soltex Polymer Corp-
oration, as Lessee, dated June 1, 1984

Dear Mrs. Lee:

Chancellor Asset Corporation, as Trustee for
Deerfield Trust ("Chancellor") is the owner of 67 ELTX 600-
666 railroad cars (the "railroad cars"). Chancellor granted
Greycas, Inc. a security interest in the railroad cars in
accordance with a Chattel Mortgage and Security Agreement
dated May 17, 1984.

On June 1, 1984 Chancellor leased the railroad
cars to Soltex Polymer Corporation. Greycas, Inc. agreed
to the lease per an Assignment and Agreement dated May 17,
1984.

Accompanying this letter are:

1) Two executed and notarized Chattel Mortgage
and Security Agreements with Exhibits A through D attached
thereto;

4-199A023

No.

JUL 17 1984

Date

Fee \$

30.00

ICC Washington, D. C.

JUL 17 2 09 PM '84

FEE OPERATION NO.

I.C.C.

RECEIVED

1 Approved May Ellen Slawson

MELROD, REDMAN & GARTLAN
A PROFESSIONAL CORPORATION

Mrs. Lee
Page Two
July 17, 1984

2) Two executed and notarized Assignments and Agreement.

3) One original and one duplicate original lease and Schedule A thereto between Chancellor and Soltex Polymer Corporation.

Sincerely,

Mary Ellen Slavinskis

Mary Ellen Slavinskis
Legal Assistant

MES:plw
Enclosure
cc: Jerry M. Hamovit, Esq.
William Poster, Esq.

Interstate Commerce Commission
Washington, D.C. 20423

7/17/84

OFFICE OF THE SECRETARY

Mary Ellen Slavinskis

Legal Assistant

Melrod, Redman & Gartlan

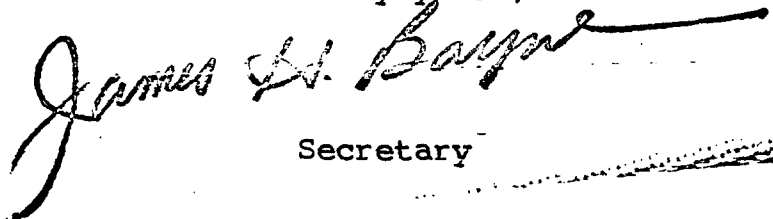
Suite 1100, 1801 K. Street, N.W.

Washington, D.C. 20006

Dear Ms. Slavinskis:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 7/17/84 at 2:15pm and assigned re-
recording number(s). 14373, 14373-A & 14373-B

Sincerely yours,


Secretary

Enclosure(s)

14373
RECORDATION NO. Filed 1425

CHANCELLOR

JUL 17 1984 -2 15 PM

INTERSTATE COMMERCE COMMISSION

Control No.: 338RR

Master Lease Agreement (this Lease) commencing on the 1st day of June, 19 84 between the undersigned lessor (the "Lessor") having its principal place of business at Federal Reserve Plaza, Boston, Mass. 02210, and

Soltex Polymer Corporation (the "Lessee")
(Lessee's Full Legal Name)

3333 Richmond Avenue, Houston, TX 77027
(Lessee's Full Legal Address)

In consideration of the rents to be paid and the covenants to be performed by Lessee, Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor on the terms and conditions hereof, the Equipment described in each Schedule executed by Lessee and Lessor incorporating this Lease. The Equipment is leased for the Term as defined in each Schedule, subject to the provisions hereof. The first day of the Term is referred to as the Commencement Date and the last day is referred to as the Expiration Date. This Lease shall commence on the date set forth above and shall not expire until fulfillment by the Lessee of all obligations set forth herein and in any Schedule.

1. MASTER LEASE.

This Lease is intended to be incorporated by reference into one or more Schedules from time to time. As to Equipment leased pursuant to any such individual Schedule, the terms of such Schedule shall prevail over the terms hereof in case of conflict. Each Schedule shall constitute a separate and distinct individual lease contract and the manually executed original of such Schedule shall be the instrument in which a security interest may be acquired by any assignee of Lessor. The rights, remedies, powers and privileges of the Lessor or its assignee under each such Schedule shall be interpreted separately and apart from any other Schedule. Notwithstanding any other provision hereof or of any other document involving a transfer, assignment, financing, granting of a security interest, or otherwise, any reference to this Lease shall mean, shall be deemed to mean, and shall be limited to, this Lease as the same is incorporated under any particularly identified specific Schedule(s).

2. RENT.

Lessee shall pay the Basic Rent stated in each Schedule on the Payment Dates stated in each Schedule to the Lessor at its address set forth above, or to such other address as Lessor may designate from time to time. This is an absolutely net lease, and any present or future law to the contrary notwithstanding, Lessee's obligation to pay Lessor and its assignee(s) all amounts due hereunder is absolutely unconditional and this Lease shall not terminate by operation of law or otherwise, nor shall Lessee be entitled to any abatement, reduction, set-off, counterclaim, defense or deduction with respect to any Basic Rent or any other sum payable hereunder, nor shall any obligations of Lessee hereunder be affected for any reason whatsoever, no matter how, when, or against whom asserted, arising or claimed; provided, Lessee may institute an independent action or claim against Lessor (but not against any assignee of Lessor) for any alleged breach hereof. No assignee shall be liable to perform any covenant of Lessor. The provisions of this paragraph are made expressly for the benefit of Lessor and any assignee of Lessor.

3. LOCATION AND OPERATION.

Lessee may operate and domicile the Equipment throughout the United States, and Canada, but if any of the Equipment is not container, automotive, or vehicular in nature, Lessee shall give Lessor ten days prior written notice of each relocation of said Equipment. All operation, maintenance, repair, rigging, drayage, insurance, relocation, alteration, surrender of the Equipment and all other amounts payable with respect to the Equipment shall be at the risk and expense of Lessee and in accordance with the specifications of the manufacturer(s) of the Equipment (Manufacturer).

4. ALTERATIONS.

Lessee may make alterations to the Equipment. Any part, attachment, appurtenance or accessory which is essential to the operation of the Equipment, or which cannot be detached from the Equipment without materially interfering with the operation or value of the Equipment shall be part of the Equipment, with title thereto in Lessor. [or which must be made to comply with the terms of this Lease]

5. MAINTENANCE, REPAIR AND USE, WARRANTIES.

Lessee will cause the Equipment to be maintained in first class and efficient operating repair and condition, ordinary wear and tear excepted, and will adhere to the Manufacturer's recommended schedule of preventive maintenance. Lessee will use the Equipment only in its possession and control and in the conduct of its business. So long as Lessee is not in default, Lessor hereby assigns to Lessee (to the extent permitted) all Manufacturer's warranties relating to the Equipment.

—or pay the stipulated loss value for such Equipment as specified

6. RISK OF LOSS; INSURANCE. in the Schedule pertaining thereto.

Lessee shall bear the risk of damage, loss, theft or destruction, partial or complete, foreseen and unforeseen of the Equipment. If the Equipment shall be lost, stolen, destroyed, damaged, or shall be requisitioned for a period exceeding its Expiration Date by any governmental authority (any such occurrence being called a Casualty and the equipment so affected a Casualty Item), Lessee shall promptly and fully inform Lessor thereof in writing. Within 30 days after such Casualty, Lessee shall either repair the Casualty Item, or substitute therefor equipment having at least equivalent value and utility. Substitution shall be accomplished by Lessee providing to Lessor a bill of sale conveying good and marketable title to the substitute equipment, free and clear of all liens and its counsel's opinion of like tenor. Until the Equipment is surrendered to Lessor pursuant hereto, Lessee will obtain and maintain all risk insurance in at least the amount of the replacement cost of the Equipment and liability insurance in the amount of \$5,000,000 for all tractors, trailers and other vehicular or automotive equipment and/or \$1,000,000 for all other types of equipment, in every case (i) naming Lessor and its assignee(s) as loss payees and additional insureds, (ii) requiring 30-day prior written notice of cancellation by the insurance company, and (iii) waiving default in the payment of premium or other default by Lessee as a condition to the payment to Lessor and/or its assignees.

7. EQUIPMENT PERSONAL PROPERTY; INSPECTION.

If provided by Lessor, Lessee will affix a decal to the Equipment. Lessee agrees to keep the Equipment free of any liens of the owner(s) or mortgagee(s) of the premises in which the Equipment may be located. Upon request of Lessor, Lessee will obtain and deliver to Lessor a waiver of any such liens in recordable form satisfactory to Lessor. This Lease or a copy hereof may be filed by Lessor as a lease notification statement under any applicable Uniform Commercial Code. This is a contract of lease only and nothing herein shall create in Lessor a security interest, or give the Lessee any interest in the Equipment other than its leasehold as specifically set forth herein.

Lessor may refer to Lessee as a customer in any generic list thereof. Lessee agrees that from time to time Lessor (or its authorized representatives) may inspect the Equipment during normal business hours. Lessee agrees to provide such information and documents as Lessor may reasonably request to determine if the status and use of the Equipment is consonant herewith, and Lessee and each guarantor hereof (and of any Schedule) each agree to provide on written request such financial information as each provides its stockholders or files with any governmental authority, except the IRS. Lessor will not use name of Lessee for general advertising purposes in solicitation of new businesses not associated with this transaction.

8. DISCLAIMER.

LESSEE ACKNOWLEDGES THAT THE EQUIPMENT IS OF THE TYPE, DESIGN, SIZE, CAPACITY AND MANUFACTURE SELECTED BY LESSEE; THAT LESSOR IS NOT A MANUFACTURER OR REPRESENTATIVE THEREOF IN, MERCHANT IN, OR DEALER IN, THE EQUIPMENT; THAT LESSOR HAS NO DUTY TO ENFORCE ANY MANUFACTURER'S WARRANTIES ON BEHALF OF LESSEE; THAT LESSOR WILL NOT AND HAS NO OBLIGATION TO, INSPECT THE EQUIPMENT PRIOR TO DELIVERY TO LESSEE AND THAT LESSOR HAS NOT MADE AND WILL NOT MAKE ANY REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED, ON WHICH LESSEE MAY RELY, WITH RESPECT TO: THE MERCHANTABILITY, FITNESS, SAFETY, CONDITION, QUALITY, DURABILITY OR SUITABILITY FOR LESSEE'S PURPOSES OF THE EQUIPMENT IN ANY RESPECT, THE EQUIPMENT'S COMPLIANCE WITH ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO, PATENT INFRINGEMENT, LATENT DEFECTS, OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED. LESSOR SHALL NOT BE LIABLE TO LESSEE FOR ANY LIABILITY, LOSS OR DAMAGE CAUSED OR ALLEGED TO BE CAUSED DIRECTLY OR INDIRECTLY BY THE EQUIPMENT OR BY ANY INADEQUACY THEREOF OR DEFICIENCY OR DEFECT THEREIN, WHETHER DIRECT, INDIRECT, EXEMPLARY OR PUNITIVE, WHETHER OR NOT LESSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

9. SURRENDER OF EQUIPMENT.

Lessee shall surrender the Equipment to Lessor on the Expiration Date, immediately on request by Lessor if Lessor has notified Lessee of any default which has not been remedied within the periods set forth in Section 12 (if any), or on such other date as may be applicable. The Equipment shall be delivered at the location at which it was received, in the condition required by paragraph

5. Upon such delivery to, inspection by, and written acceptance of Equipment by Lessor, risk of loss shall pass to Lessor and this Lease shall terminate with respect to the Equipment so surrendered, except for any unfulfilled Lessee obligations hereunder.

10. TAXES; COMPLIANCE WITH LAW.

(a). Lessee shall pay the following (imposts): (i) all taxes, assessments, levies, fees and all other governmental charges, general and special, ordinary and extraordinary, foreseen and unforeseen, which are, at any time prior to or during the Term hereof, imposed or levied upon or assessed against (A) the Equipment, (B) any Basic Rent or other sum payable hereunder or (C) this Lease or the leasehold interest created herein, or which arise in respect of the operation, possession or use of the Equipment; (ii) all gross receipts or similar taxes imposed or levied

upon, assessed against or measured by any Basic Rent, or other sum payable hereunder; (iii) all sales, use or other taxes at any time levied, assessed or payable on account of the acquisition, shipment, registration, titling, transportation, delivery, leasing, use or operation of the Equipment; and (iv) all penalties and interest on any of the foregoing. The Lessee shall not have responsibility for the following, which are not imposts: any franchise, estate, inheritance, transfer, or taxes based solely on the net income of Lessor unless the same are imposed, levied or assessed in substitution for any impost. All tax benefits arising out of ownership of the Equipment are and shall remain vested in Lessor.

(b). Lessee shall prepare and submit all necessary filings to the applicable taxing authorities whether the incidence of such impost and/or its related filing obligation shall be the legal responsibility of Lessor or Lessee. For that purpose, Lessor hereby appoints Lessee its agent and attorney-in-fact to make filings and/or payments on behalf of Lessor where the incidence thereof falls on Lessor. Lessor agrees to cooperate fully with Lessee by executing any documents prepared by Lessee for filing (where the taxing authority will not accept Lessee's appointment as agent for Lessor or accept payment or filings by Lessee on behalf of Lessor) and by forwarding promptly to Lessee any assessments, tax bills, or other correspondence received in connection therewith.

(c). ~~Lessee will furnish to Lessor proof of payment of all imposts.~~ If any impost may legally be paid in installments, Lessee may pay same in installments; provided, any impost assessed, levied or imposed during the Term shall be paid in full by Lessee prior to the Expiration Date.

(d). Lessee shall comply with and cause the Equipment to comply with all legal requirements applicable thereto or to the use thereof and with all contracts (including insurance policies), agreements and restrictions applicable thereto or to the ownership or use thereof.

11. INDEMNIFICATION. an occurrence during the term of this lease for

Lessee understands that the Basic Rent to be charged by Lessor under any Schedule is less than it would otherwise be, because Lessee is assuming certain risks and payments. In furtherance thereof, Lessee agrees to pay, and shall protect, indemnify, defend and save harmless Lessor and every assignee of Lessor from and against, all liabilities, losses, damages, costs, expenses (including reasonable attorneys' fees and expenses), causes of action, suits, claims, demands or judgments of any nature arising from (i) injury to or death of any person, or damage to or loss of property, from the ownership, management, control, use, possession, operation, storage, leasing, sublease, relocations of, or any defect in the Equipment (latent or otherwise, discoverable or otherwise, or asserted under any "strict liability" theory or otherwise), (ii) default under this Lease whether or not any "grace period" shall have elapsed or notice been given, (iii) any litigation arising from imposts and (iv) any damage to the premises wherein the Equipment may be located caused by the installation, use or removal thereof. The foregoing indemnification shall commence immediately, shall continue in full force and effect notwithstanding the termination or Expiration hereof. "Equipment", as used in this paragraph 11, includes equipment which has not been formally accepted in writing by Lessee under a Schedule and/or a Certificate of Acceptance, it being intended that this paragraph shall apply to any equipment owned by Lessor (or its assigns) and used by Lessee regardless of the formal documentation thereof.

12. DEFAULT.

other than trip lease to customers
Lessee shall be in default: (a) if Lessee shall fail to pay any monies due hereunder by the earlier of (i) ten days after the due date thereof or (ii) two days after written notice; (b) 15 days after written notice if Lessee fails to perform any non-monetary covenant and such failure continues; (c) without notice if proceedings are instituted by or against the Lessee under any provision of the Bankruptcy Code, insolvency laws or laws relating to the relief of debtors, readjustments, compositions or extensions or any other or similar law, or if the Lessee makes an assignment for the benefit of creditors, or if a receiver, trustee or custodian or similar official of Lessee or all or any substantial part of its assets shall be appointed; (d) without notice if the Equipment or any sum due hereunder becomes subject to any lien; (e) without notice if any guarantor becomes subject to any of the proceedings described in (c) above or defaults under any provision of its guaranty; or (f) without notice if Lessee attempts to sublease the Equipment or to assign this Lease, which attempted sublease and/or assignment shall be void. In such event Lessor may at its option take one or more of the following actions: (1) proceed by appropriate court action either at law or in equity to enforce performance by Lessee of all provisions hereof and to recover damages for the breach thereof; or (2) terminate this Lease and recover damages for the breach thereof; or (3) accelerate all Basic Rent due hereunder; or (4) enter upon the premises of the Lessee or other premises where the Equipment may be located without notice or legal process and without liability for trespass or responsibility for any article in or attached to the Equipment. Upon such entry, Lessor may take possession of the Equipment, whereupon Lessee's right to possession thereof shall absolutely cease and terminate. The Lessee hereby expressly waives any damages occasioned by such taking of possession. In the event of any such breach, the Lessor shall retain all rents and additional sums paid by the Lessee hereunder, as well as all insurance proceeds and other sums if any then in its possession which, had this Lease not been so terminated, would otherwise be payable to the Lessee. Lessor shall be entitled to recover all unpaid rentals to and including the date on which it obtains uncontested possession, and all other additional sums owing, unpaid or accrued hereunder. Lessee shall have 60 days to remedy any involuntary Bankruptcy proceedings filed against it before being considered in Default by Lessor under 12c stated above.

Lessee shall pay all costs and expenses of the Lessor incurred by the Lessor in exercising any of its rights or remedies under this Lease, including expenses of retaking, holding, preparing for lease or sale, or leasing and selling of the Equipment, and reasonable attorneys' fees and legal expenses. No right or remedy conferred upon or reserved to the Lessor by this Lease shall be exclusive of any other right or remedy of Lessor, but each shall be cumulative and shall be in addition to all other remedies in the Lessor's favor existing in law, equity or bankruptcy; provided, Lessor's aggregate recovery for damages (excluding attorneys' fees, other expenses, taxes, indemnities, interest and similar charges and computed arithmetically rather than discounted to present value) shall not exceed the amount (including, but not limited to, residual value) which it would have received if Lessee had not defaulted. Any repossession or subsequent sale or lease by Lessor of the Equipment shall not bar an action for a deficiency, and the bringing of an action or entry of judgment against Lessee shall not bar Lessor's right to repossess the Equipment. If Lessee fails to comply with its covenants herein, the Lessor may but shall not be obligated to make advances to perform the same. All sums so advanced and all sums not paid when due hereunder shall be payable to the Lessor upon demand with interest so far as lawful at three percentage points above the prime rate then in effect at Chemical Bank, N.Y., N.Y.

13. SEPARABILITY; BINDING EFFECT.

Each provision hereof shall be independent and the breach of any provision by Lessor shall not discharge or relieve Lessee from its obligations to perform each and every covenant to be performed by Lessee hereunder. If any provision hereof or its application to any person or circumstance shall to any extent be invalid or unenforceable, the remaining provisions hereof, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby. Lessor may sell the Equipment and/or assign this Lease and all sums due hereunder, in whole or in part, at any time and from time to time, in its sole discretion; Lessee agrees to cooperate with Lessor in respect thereto and to furnish such documents as may be reasonably requested by Lessor or its assignee(s) including, but not limited to, opinions of counsel, estoppel certificates, acknowledgements of assignment, and certificates of incumbency and authority. All provisions hereof shall be binding upon, inure to the benefit of, and be enforceable by the respective successors and assigns of Lessor and (if consented to) Lessee to the same extent as if each such successor and assign were named as a party hereto. This Lease may not be changed, modified or discharged except in writing.

14. DEFINITIONS.

The phrases used in the text in parenthesis and each of the following definitions apply throughout this Lease. Lessee includes any corporation succeeding the named Lessee by consolidation, merger or acquisition of its assets substantially as an entirety. Equipment refers to the items named on each Schedule, all attachments and accessions now and hereafter made thereon, and all substitutions and replacements therefor. Any separately identifiable item leased hereunder is referred to as Equipment and references to "the Equipment" mean all the Equipment and all items of Equipment. Lien means any charge, lien, security interest or encumbrance made or suffered by Lessee or which results from the failure of Lessee to perform its covenants hereunder. Alterations are modifications, alterations or additions to the Equipment, provided each (i) is required or permitted by the Manufacturer, (ii) is necessary or desirable for the maintenance or improvement of the Equipment, and (iii) does not reduce the value or impair the capabilities or efficiency of the Equipment. Written notice or approval includes telegraph, telex, mailgram, and telecopy. Hereunder, under this Lease, or similar phraseology means pursuant to the terms of this instrument together with each Schedule now or hereafter outstanding at any time and from time to time.

15. PURCHASE AUTHORIZATION.

With respect to any equipment as to which Lessee and Lessor have executed a letter of intent, proposal or similar agreement outlining the cost, rent, term and other provisions applicable in the circumstances, and providing for such equipment to be leased under a Schedule hereto, whether or not subject to contingencies or conditions precedent or subsequent as to the equipment, documentation, or otherwise, Lessee agrees that: (a) Lessor may order such equipment from a manufacturer or vendor thereof in Lessor's own name, with or without a copy of this paragraph 15 attached to such order and (b) in such case, Lessee will indemnify and hold Lessor harmless from and against (i) all claims, actions and/or demands of said manufacturer or vendor resulting from any cancellation, termination, or modification of said purchase order in the event the leveraged lease financing of said equipment contemplated hereby and by the letter of intent, proposal or similar agreement is not consummated for whatever reason, and (ii) Lessor's reasonable attorneys' fees and expenses in connection therewith. Lessor and Lessee intend this indemnity to be applicable between them and immediately effective whether or not any Schedule hereto is finally executed and put in force.

16. GOVERNING LAW; CAPTIONS.

This Lease shall be considered as a document under seal, governed by the laws of the Commonwealth of Massachusetts. The captions of the paragraphs have been inserted for convenience only and are not to be used in the interpretation of this Lease.

Accepted by Lessor: Chancellor Asset
Corporation as Trustee of Deerfield Trust

By John Brennan
SVP, Vice President

ML-2/483

Title:

Accepted by Lessee: Soltex Polymer Corporation

By Debra

Title: Vice President

STATE OF TEXAS

COUNTY OF

)
)
)

ss.

Before me, Anita Wiseman, a notary public, personally came Soltex Polymer Corporation, by its Vice President, R. H. Degreve, known to me, to be the person whose name is subscribed to the foregoing instrument and known to me to be the Vice President of the Soltex Polymer Corporation and who acknowledged the same to be the act of said corporation, and that he executed the same for the purposes and consideration therein expressed, and as the act of said corporation.

Given under my hand and seal of office this 21st day of June, 1984.

(Seal)

Anita R. Wiseman

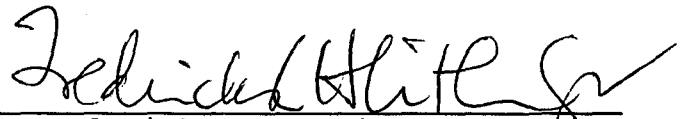
Notary Public

ANITA R. WISEMAN
Notary Public in and for Harris County, Texas
My Commission Expires: 4/29/86

COMMONWEALTH OF MASSACHUSETTS)
) ss.
COUNTY OF SUFFOLK)

On this 26th day of June, 1984, before me personally appeared John Bresnahan, to me personally known, who, being by me duly sworn, did say that he is the Senior Vice President of Chancellor Asset Corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation, as trustee, by authority of its board of directors, and said John Bresnahan acknowledged that the execution of said instrument was the free act and deed of said corporation, as trustee.

Given under my hand and seal of office this 26th day of June, 1984.



Frederick R. H. Witherby, Jr.
Notary Public

My commission expires: 7/23/87



DUPLICATE

SCHEDULE A

This Agreement ("Schedule A") is entered into, on the date set forth below, by and between Chancellor Asset Corporation, as trustee for Deerfield Trust, as Lessor, and Soltex Polymer Corporation, as Lessee. Capitalized words herein have the meanings defined in that certain Master Lease Agreement between the parties hereto, dated as of June 1, 1984, Control No. 338RR (Master Lease), which is incorporated in its entirety by this reference as if set forth in full herein. The intention of the parties is to create a Lease between themselves, and they do hereby create a Lease between themselves, of the equipment specified in this Schedule A (the Equipment), on all the terms and conditions set forth herein and in the referenced Master Lease.

EQUIPMENT

<u>Equipment Manufacturer</u>	<u>Description</u>	<u>AAR Mechanical Designation and Car Type Code</u>	<u>Railroad Iden- tification Nos.</u>
AFC Industries, Incorporated	67 previously owned 5,250 cubic foot dry flow, bottom dump, covered hopper railroad cars	LO/C 214 LO/C-314	ELTX <u>600</u> through <u>666</u> ELTX ----- through -----

TERM, RENT AND PAYMENT DATES

LEASE TERM

The term of this Schedule A shall consist of the Interim Term and the Primary Term as specified below.

1. Interim Term: Commencement Date - The date upon which Lessee shall execute and deliver to Lessor a Certificate of Acceptance for the Equipment, if such date shall be earlier than the Primary Term Commencement Date.

Expiration Date: June 30, 1984

2. Primary Term: Commencement Date - July 1, 1984

Expiration Date - June 30, 1994

BASIC RENT

Interim Term: \$9.31 per day for each car having a Lessor's Cost of \$22,090
\$15.62 per day for each car having a Lessor's Cost of \$37,090

Primary Term: \$848.84 per 3 month period for each car having a Lessor's Cost of \$22,090
\$1,425.23 per 3 month period for each car having a Lessor's Cost of \$37,090

PAYMENT DATES

Interim Term: July 1, 1984

Primary Term: October 1, 1984, and the first day of each January, April, July and October occurring thereafter to and including July 1, 1994.

Any extension period: October 1, 1994, and January 1, 1995.

ADDITIONAL TERMS AND CONDITIONS

1. Lessee shall cause all maintenance on the Equipment to be performed as required by the terms of the Master Lease.
2. Lessee agrees that all Equipment is, and throughout the Term shall remain, personal property, and that the same shall not be affixed to any realty.
3. Lessee shall comply with, and shall cause the Equipment to comply with, to the extent applicable, the rules and regulations (including the Interchange Rules) of the Association of American Railroads, the Interstate Commerce Commission and the United States Department of Transportation. Upon delivery to Lessor at the expiration or earlier termination hereof, the Equipment shall be in a condition such that it is eligible for interchange in accordance with the rules and regulations (including the Interchange Rules) of the Association of American Railroads.
4. Upon the expiration or earlier termination of this Schedule A, Lessee shall deliver the Equipment, in a single delivery, to Lessor on the storage tracks of Lessor or on such other tracks or at such other location as Lessor and Lessee shall agree upon. Once all of the Equipment has been so gathered together for delivery, any fees associated with said storage shall be paid by Lessor; until all Equipment is so gathered together, any such loss shall be paid by Lessee. If Lessee shall fail to comply with the provisions set forth in

the preceding sentence, the Term hereof shall automatically be extended for a period of 180 days, during which extended term Lessee shall gather together the Equipment and deliver the Equipment, in a single delivery, to Lessor on the storage tracks of Lessor or on such other tracks or at such other location as Lessor and Lessee shall agree upon, during which time Lessor or Lessee, as the case may be, shall cause to be paid any fees associated with such storage as described above. If, pursuant to this paragraph 4, Lessee shall cause the Term to be extended, Lessee shall pay to Lessor, as Basic Rent during such period, a sum equal to the greater of a pro rata portion of the Basic Rent applicable to a three month period during the Primary Term or any per diem amounts attributed to the use of the Equipment during the extension period. In any event, Lessee agrees to pay any fees or costs associated with the movement of the Equipment pursuant to this paragraph 4. If this Schedule A shall terminate by reason of a default, Lessee shall pay all costs incurred in delivering the Equipment, upon the termination of this Lease, to a location designated by Lessor. Lessee agrees to maintain any and all insurance policies during any storage period occurring after the expiration or earlier termination of the Term. During any such storage period, if the Equipment shall be stored on the premises of Lessee or on tracks leased by Lessee, Lessor or its designee shall have the right to inspect the Equipment.

5. Lessee, at its own expense, will cause this Schedule A and any other documents or instruments relating to the Equipment and specified by Lessor to be filed in accordance with 49 U.S.C. Section 11303 and deposited with the Registrar General of Canada (and notice of such deposit to be given forthwith in The Canada Gazette) pursuant to Section 86 of the Railway Act of Canada. Lessee will undertake such filing, registering, deposit and recording as may be required to protect or perfect the interests in the Equipment or this Lease of Lessor, Lessee and any lending institution which shall have been granted a security interest in this Lease or the Equipment. From time to time Lessee will do and perform any other act, and will execute, acknowledge, deliver, file, register, record (and will refile, reregister, deposit and redeposit, or rerecord whenever required) all further instruments, required by law or reasonably requested by Lessor for the proper protection, to Lessor's satisfaction, of the rights in the Equipment of Lessor or such lending institution. Lessee will promptly furnish to Lessor evidence of all filing, registering, depositing, recording and other acts which may be required under this paragraph. This Schedule A shall be filed with the Interstate Commerce Commission and deposited with the Registrar General of Canada pursuant to Section 86 of the Railway Act of Canada, and provision shall be made for publication of notice of such deposit in The Canada Gazette prior to the delivery and acceptance hereunder of any Equipment.

6. So long as Lessee shall pay and perform all its covenants hereunder, its quiet enjoyment of the Equipment shall not be disturbed by any party lawfully claiming by, through or under Lessor. By acceptance of any assignment of this Schedule A, any assignee hereof agrees, with and for the benefit of Lessee, that as long as Lessee shall pay rent and perform all its covenants hereunder, and notwithstanding any default of Lessor, Lessee's quiet enjoyment shall not be disturbed by such assignee or any party lawfully claiming by, through or under such assignee.

7. Lessee shall not use or operate the Equipment in Canada in such a way as to negate Lessor's right to the standard five-year cost recovery deductions under Internal Revenue Code Section 168(b)(1) of 15%, 22%, 21%, 21%, and 21%, respectively, of the Lessor's Cost of the Equipment.

8. On written request, but not more frequently than annually unless a specific controversy or litigation has arisen, Lessee will provide Lessor with proof of payment of all imposts specifically attributable to the Equipment.

9. So long as no default (or event which would constitute a default but for the lapse of time or the giving of notice or both) shall have occurred and be continuing, Lessee shall have the option to purchase all, but not less than all, of the Equipment on the Expiration Date for its then fair market value. If Lessee desires to exercise such option, Lessee shall do so by notice in writing to Lessor not less than ninety (90) days prior to the Expiration Date specifying the price for which it is offering to purchase all of the Equipment; otherwise such option shall expire. If Lessor accepts such offer, Lessor and Lessee shall consummate such sale on said Expiration Date. If Lessor rejects such offer, then each party shall appoint a qualified appraiser, and the two (2) appraisers so appointed shall appoint a third appraiser. Fair Market Value shall then be the arithmetic average of the three (3) Fair Market Values determined separately by each of the three appraisers. Following such appraisal, Lessee shall purchase the Equipment for the Fair Market Value as provided above. Unless Lessor shall otherwise agree in writing, payment in full of the amounts to be paid to Lessor shall be made, in cash, on or prior to the date such sales are consummated. Lessor and Lessee shall each pay one-half of the cost of any appraisal. Lessee shall pay on the date of sale, in addition to the Fair Market Value, pro rata rent for the period between the Expiration Date and the date of sale, at the rate in effect for the one-year period just preceding the Expiration Date. This Schedule A is to be in full force and effect during the period with respect to which pro rata rent is payable, in all respects, notwithstanding the occurrence of the Primary Term Expiration Date. Notwithstanding the foregoing, if Lessor or Lessee shall determine that the Fair Market Value of the Equipment

determined as provided above shall be unacceptable to it, Lessor or Lessee shall be entitled not to sell or not to purchase, respectively, the Equipment.

10. Lessee shall also be in default if Lessee shall fail to maintain at all times in the possession of Lessor or its assignee the irrevocable letter of credit referred to in paragraph 11 of this Schedule A.

11. Lessee shall maintain at all times while all or any portion of the Equipment shall be subject to this Lease, in the possession of Lessor or its assignee, an irrevocable letter of credit for the benefit of Lessor in an amount at least equal to the aggregate stipulated loss values of the Equipment from time to time. Such letter of credit shall be issued by Texas Commerce Bank for the account of Lessee, and shall otherwise be in form and substance as agreed upon by Lessor and Lessee. Such credit shall not expire before the return of all Equipment to Lessor at the expiration of the Term.

12. Lessee will limit the use of the Equipment on average to 6,000 fully- or partially-loaded miles per year.

13. Lessee will maintain all-risk casualty insurance with respect to the Equipment in an amount at least equal to the stipulated loss value thereof from time to time. All insurance required to be maintained by Lessee under this Schedule A shall be under policies and with underwriters satisfactory to Lessor.

14. Lessee shall pay any sales or use tax imposed or assessed in connection with this Lease or the Equipment directly to the appropriate authority.. Such payments shall be made by Lessee on behalf of Lessor (if such tax shall be imposed upon or assessed against Lessor, or is required to be paid by Lessor), and Lessee shall obtain on behalf of Lessor a resale exemption certificate, if appropriate.

15. Lessee will cause each railroad car constituting a part of the Equipment to be kept numbered with a different identification number of the groups of identification numbers set forth in this Schedule A, and will maintain permanent, conspicuous and distinctive markings on each side of such railroad cars, in letters of at least one inch in height, the words "Owned by Chancellor Asset Corporation, Trustee, Subject to Security Agreement Filed With the Interstate Commerce Commission," or such other text as may then be required by law or legally adequate to protect the interests in the Equipment of Lessor or any lending institution having a security interest in the Equipment. Lessee will not operate any Equipment not so marked, and will replace any markings that shall not be effective. Lessee will not change the identification number of any such railroad car unless and until a statement of substitute identification numbers shall have been provided to

Lessor and duly filed and deposited by Lessee in all public offices where this Lease and any security agreement applicable to the Equipment shall have been filed and duly published, as required by law. Except as provided above, Lessee will not permit any Equipment to be marked in a manner that might be interpreted as a claim of an interest not consistent with the interest of Lessor or such lending institution in the Equipment.

16. Lessor shall not be liable under this Schedule A except in its capacity as trustee, and any claim against Lessor as such trustee may be satisfied only from the assets of Deerfield Trust.

17. Notwithstanding Section 6 of the Master Lease, in lieu of substitution for a Casualty Item, Lessee may pay Lessor the Stipulated Loss Value, as computed and described hereafter. At such time as a Casualty shall occur with respect to Equipment as to which the Lessee desires to pay the Stipulated Loss Value, Lessee shall promptly notify Lessor thereof and shall pay to Lessor on the Payment Date next following the Casualty, in addition to the Basic Rent then due, an amount equal to the Stipulated Loss Value of such Equipment on such date. In such an event, Lessee shall continue to pay the Basic Rent applicable to such Equipment until the Payment Date on which Lessor receives payment in full of the Stipulated Loss Value of such Equipment, whereupon Lessee's obligations to pay Basic Rent with respect to such Equipment shall terminate. "Stipulated Loss Value" on any Payment Date shall mean, with reference to any Equipment, an amount determined by multiplying the Lessor's Cost with reference to such Equipment by the percentage specified below opposite the number identifying the consecutive payment of Basic Rent then due.

The Lessee may pay the Stipulated Loss Value at any time within 60 days following the Casualty. In such case, Stipulated Loss Value shall mean the Stipulated Loss Value determined as of the preceding Basic Rent Payment Date, plus per diem, prorated Basic Rent from the date of payment of Stipulated Loss Value to the prior Payment Date.

<u>Period</u>	<u>Stipulated Loss Value</u>	<u>Period</u>	<u>Stipulated Loss Value</u>
1	106.141296	21	91.875782
2	108.004775	22	89.408120
3	109.633688	23	86.889359
4	110.888804	24	84.351859
5	111.886384	25	81.779097
6	112.601191	26	79.248213
7	113.159610	27	76.833814
8	113.297811	28	74.337929
9	113.113084	29	71.757809
10	112.573459	30	69.090609
11	111.783569	31	66.333391
12	110.494296	32	63.550856

13	108.928220	33	60.985600
14	107.228448	34	58.629244
15	105.418448	35	56.508268
16	103.447130	36	54.583940
17	101.335875	37	53.224595
18	99.080987	38	52.419672
19	96.704175	39	52.040576
20	94.307288	40 and thereafter	54.097726

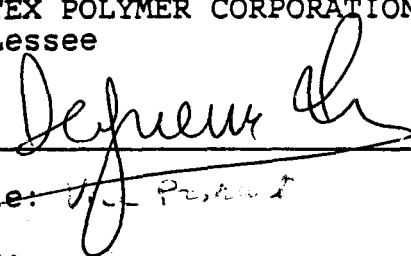
Lessor's Cost

The railroad cars bearing the identification numbers specified below have the Lessor's Cost set forth opposite such identification numbers.

<u>Railroad Identification Numbers</u>	<u>Lessor's Cost</u>
ELTX <u>600</u> through <u>638</u>	\$22,090
ELTX <u>639</u> through <u>666</u>	\$37,090

IN WITNESS WHEREOF, Lessor and Lessee have each caused this Schedule A to be duly executed under seal and delivered, all as of June 1, 1984.

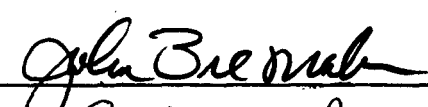
SOLTEX POLYMER CORPORATION,
as Lessee

By 
Title: President
Date: _____

[Seal]

Attest 

CHANCELLOR ASSET CORPORATION,
trustee,
as Lessor

By 
Title: Senior Vice President
Date: June 26, 1984

[Seal]

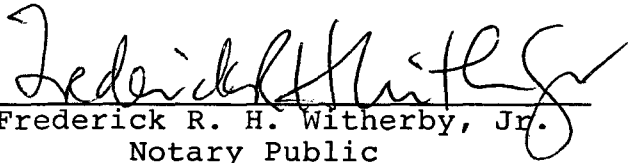
Attest 

DUPLICATE

COMMONWEALTH OF MASSACHUSETTS)
) ss.
COUNTY OF SUFFOLK)

On this 26th day of June, 1984, before me personally appeared John Bresnahan, to me personally known, who, being by me duly sworn, did say that he is the Senior Vice President of Chancellor Asset Corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation, as trustee, by authority of its board of directors, and said John Bresnahan acknowledged that the execution of said instrument was the free act and deed of said corporation, as trustee.

Given under my hand and seal of office this 26th day of June, 1984.



Frederick R. H. Witherby, Jr.
Notary Public

My commission expires: 7/23/87



STATE OF TEXAS

)
) ss.
)

On this 22nd day of June , 1984, before me personally appeared Rene Degreve , to me personally known, who, being by me duly sworn, did say that he is the Vice President of Soltex Polymer Corporation, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said Rene Degreve acknowledged that the execution of said instrument was the free act and deed of said corporation.

Given under my hand and seal of office this 22nd day of June , 1984.

(Seal)

Anita R. Wiseman

Notary Public

ANITA R. WISEMAN
Notary Public in and for Harris County, Texas
My Commission Expires: 4/29/86